

SENATE MOTION

MADAM PRESIDENT:

I move that Engrossed House Bill 1125 be amended to read as follows:

- 1 Page 13, delete lines 21 through 42, begin a new paragraph and
2 insert:
3 "SECTION 10. IC 6-3.1-32-9, AS ADDED BY P.L.235-2007,
4 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2008]: Sec. 9. A qualified applicant that:
6 (1) incurs or makes qualified production expenditures of
7 ~~(A) at least one five hundred thousand dollars (\$100,000); in~~
8 ~~the case of a qualified media production described in section~~
9 ~~5(a)(1) of this chapter; or~~
10 ~~(B) at least fifty thousand dollars (\$50,000); in the case of a~~
11 ~~qualified media production described in section 5(a)(2);~~
12 ~~5(a)(3); 5(a)(4); or 5(a)(5) of this chapter; and (\$500,000)~~
13 ~~during a taxable year;~~
14 **(2) enters into an agreement with the corporation under**
15 **section 13 of this chapter; and**
16 ~~(2) (3) satisfies the other~~ requirements of this chapter;
17 is entitled to a ~~refundable~~ tax credit as provided in this chapter.
18 SECTION 11. IC 6-3.1-32-11, AS ADDED BY P.L.235-2007,
19 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 JULY 1, 2008]:Sec. 11. ~~This section applies to a taxpayer that claims~~
21 ~~qualified production expenditures of at least six million dollars~~
22 ~~(\$6,000,000) in a taxable year for purposes of the tax credit under this~~
23 ~~chapter. If the corporation approves the granting of a tax credit to the~~
24 ~~taxpayer under section 13 of this chapter, the amount of the tax credit~~
25 ~~to which the taxpayer is entitled under this chapter equals the product~~
26 ~~of:~~
27 (1) the percentage determined by the corporation under section 13
28 of this chapter; multiplied by
29 (2) the amount of the taxpayer's qualified production expenditures
30 in the taxable year.
31 SECTION 12. IC 6-3.1-32-12, AS ADDED BY P.L.235-2007,

SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 12. ~~(a)~~ To receive the tax credit provided by this chapter, a taxpayer must claim the tax credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department: ~~att~~

(1) a copy of the agreement entered into by the corporation and the taxpayer under section 13 of this chapter for the tax credit; and

(2) any other information that the department determines is necessary for the calculation of the credit provided under this chapter.

~~(b) In the case of a taxpayer that claims a tax credit under section 11 of this chapter, the taxpayer must also file with the taxpayer's annual state tax return or returns a copy of the agreement entered into by the corporation and the taxpayer under section 13 of this chapter for the tax credit.~~

SECTION 13. IC 6-3.1-32-13, AS ADDED BY P.L.235-2007, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 13. (a) A taxpayer that proposes to claim a tax credit under ~~section 11~~ of this chapter must, before incurring or making the qualified production expenditures, apply to the corporation for approval of the tax credit.

(b) After receiving an application under subsection (a), the corporation may enter into an agreement with the applicant for a tax credit under ~~section 11~~ of this chapter if the corporation determines that:

(1) the applicant's proposed qualified media production:

(A) is economically viable; and

(B) will increase economic growth and job creation in Indiana;

~~and~~

(2) the applicant's proposed qualified media production and qualified production expenditures otherwise satisfy the requirements of this chapter; **and**

(3) the applicant will make or incur qualified production expenses of at least five hundred thousand dollars (\$500,000) during the taxable year for which the credit is claimed.

(c) If the corporation and an applicant enter into an agreement under this section, the agreement must specify the following:

(1) The percentage to be used under section 11(1) of this chapter in determining the amount of the tax credit. The percentage may not be more than fifteen percent (15%).

(2) Any requirements or restrictions that the applicant must satisfy before the applicant may claim the tax credit.

(3) The extent, if any, to which the tax credit is refundable if the amount of the tax credit exceeds the taxpayer's state tax liability for the taxable year.

(d) The maximum amount of tax credits that the corporation may

1 approve under this ~~section~~ **chapter** during a particular taxable year for
2 all taxpayers is five million dollars (\$5,000,000).

3 SECTION 14. IC 6-3.1-32-14, AS ADDED BY P.L.235-2007,
4 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2008]: Sec. 14. If the amount of the tax credit provided under
6 this chapter to a taxpayer in a taxable year exceeds the taxpayer's state
7 tax liability for that taxable year, the taxpayer is entitled to a refund of
8 the excess **only to the extent provided by the agreement entered**
9 **into by the corporation and the taxpayer under section 13 of this**
10 **chapter. A taxpayer is not entitled to a carryback or carryover of**
11 **any unused credit."**

12 Page 14, delete lines 1 through 23.

13 Page 40, between lines 33 and 34, begin a new paragraph and insert:

14 "SECTION 26. IC 6-3.1-32-10 IS REPEALED [EFFECTIVE JULY
15 1, 2008].".

16 Renumber all SECTIONS consecutively.

(Reference is to EHB 1125 as reprinted February 22, 2008.)

Senator KENLEY